

AMENDED IN SENATE MARCH 20, 2007

SENATE BILL

No. 210

Introduced by Senator Kehoe

February 8, 2007

An act to add Part 5.5 (commencing with Section 38575) to Division 25.5 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 210, as amended, Kehoe. Greenhouse gas emissions: fuel standard.

(1) The *California* Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases that cause global warming in order to reduce emissions of greenhouse gases. Under the act, the state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990 to be achieved by 2020, as specified, and requires the state board to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions, as specified. The act authorizes the state board to adopt market-based compliance mechanisms, as defined, meeting specified requirements. The act makes violations of measures adopted by the state board punishable as a crime.

This bill would require the state board to ~~develop and administer a program to reduce the carbon content from transportation fuels sold and refined in California by 10% by 2020, and would require the state board to implement a low-carbon fuel standard applicable to refiners, blenders, producers, and importers of transportation fuel~~ *adopt, implement, and enforce a low-carbon fuel standard that achieves the maximum technologically feasible and cost-effective greenhouse gas*

emissions reductions, and at least a 10% reduction in greenhouse gas emissions. Because violations of the low-carbon fuel standard would be a crime, the bill would impose a state-mandated local program.

~~The bill would also require the Public Utilities Commission to examine and address how investor-owned utilities can contribute to reductions in greenhouse gas emissions in the transportation sector.~~

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) California is the 12th largest source of emissions that cause
4 climate change.

5 (b) California's transportation sector accounts for over 40
6 percent of these emissions.

7 (c) The *California* Global Warming Solutions Act of 2006
8 creates a statewide greenhouse gas emissions limit that would
9 reduce emissions by 25 percent by the year 2020.

10 (d) In order to achieve this reduction goal, approximately 13
11 million tons of greenhouse gas emissions must be reduced from
12 the transportation sector, the equivalent of 3 million passenger
13 vehicles being removed from the road.

14 ~~(e) The State Air Resources Board pursuant to the Global~~
15 ~~Warming Solutions Act of 2006 and other laws has broad authority~~
16 ~~to create carbon reduction programs.~~

17 SEC. 2. Part 5.5 (commencing with Section 38575) is added
18 to Division 25.5 of the Health and Safety Code, to read:

PART 5.5. GREENHOUSE GAS EMISSIONS FUEL
STANDARDS

~~38575. (a) The state board shall develop and administer a program to reduce the carbon content from transportation fuels sold and refined in California by 10 percent by 2020.~~

~~(b) The state board shall report to the Governor and the Legislature by June 30, 2008, and biennially thereafter, on the progress made toward the goal established in subdivision (a).~~

~~38575.5. As part of its efforts to meet subdivision (a) of Section 38575, the state board shall implement a low-carbon fuel standard for transportation fuel to be measured on a full fuels cycle basis that shall apply to all refiners, blenders, producers, and importers of transportation fuels in the state.~~

~~38576. The Public Utilities Commission shall examine and address the manner in which investor-owned utilities may contribute to reductions in greenhouse gas emissions in the transportation sector by January 1, 2009.~~

38575. (a) On or before January 1, 2010, the state board shall adopt, implement, and enforce a low-carbon fuel standard that achieves the maximum technologically feasible and cost-effective greenhouse gas emissions reductions, and at least a 10 percent reduction in greenhouse gas emissions, in furtherance of the limit established pursuant to Section 38550.

(b) The low-carbon fuel standard adopted pursuant to this section shall do all of the following:

(1) For gasoline, maintain or improve upon emissions reductions and air quality benefits achieved by the California Phase 2 Reformulated Gasoline Program as of January 1, 1999, including emissions reductions for all pollutants and precursors identified in the State Implementation Plan for ozone, and emissions of potency weighted air toxics compounds and particulate matter.

(2) For diesel fuel, maintain or improve upon the emissions reductions and air quality benefits achieved by the California diesel fuel regulations in Article 2 (commencing with Section 2280) of Chapter 5 of Division 3 of Title 13 of the California Code of Regulations.

(3) Ensure that implementation of the low-carbon fuel standard does not result in greater impacts on low-income communities and

1 *is consistent with environmental justice as defined in Section*
2 *65040.12 of the Government Code.*

3 ~~38576.5:~~

4 38576. The State Energy Resources Conservation and
5 Development Commission shall update *and reissue* the report
6 prepared pursuant to Section 43866 with revisions and additional
7 recommendations by June 30, 2009.

8 SEC. 3. No reimbursement is required by this act pursuant to
9 Section 6 of Article XIII B of the California Constitution because
10 the only costs that may be incurred by a local agency or school
11 district will be incurred because this act creates a new crime or
12 infraction, eliminates a crime or infraction, or changes the penalty
13 for a crime or infraction, within the meaning of Section 17556 of
14 the Government Code, or changes the definition of a crime within
15 the meaning of Section 6 of Article XIII B of the California
16 Constitution.